



Department  
for Work &  
Pensions

# Delivering and using Pensions Dashboards

Consultation on the draft Pensions Dashboards Regulations 2022

Thursday 10 February

10am – 11.30am

*Please put questions in the chat box or email them to [pensionsdashboard@dwp.gov.uk](mailto:pensionsdashboard@dwp.gov.uk)*

# Scope and objectives of this webinar

- This session will focus on dashboards themselves: from the perspective both of the **user**, and in terms of the requirements **dashboard providers** will need to meet in order to operate.
- This session will cover:
  - Introduction to dashboards & how they work
  - Consumer protection and pensions dashboards
  - What it means to be a Qualifying Pensions Dashboard Service
  - Displaying the view information
  - Design standards
  - Role of a third-party auditor
  - Dashboard functionality
  - FCA regulation of QPDS
  - Reporting and monitoring requirements



The session is being recorded and there will be a Q&A at the end of the presentation.

# Purpose and scope of the Regulations and timeline

The Regulations extend to England, Scotland and Wales and set out:

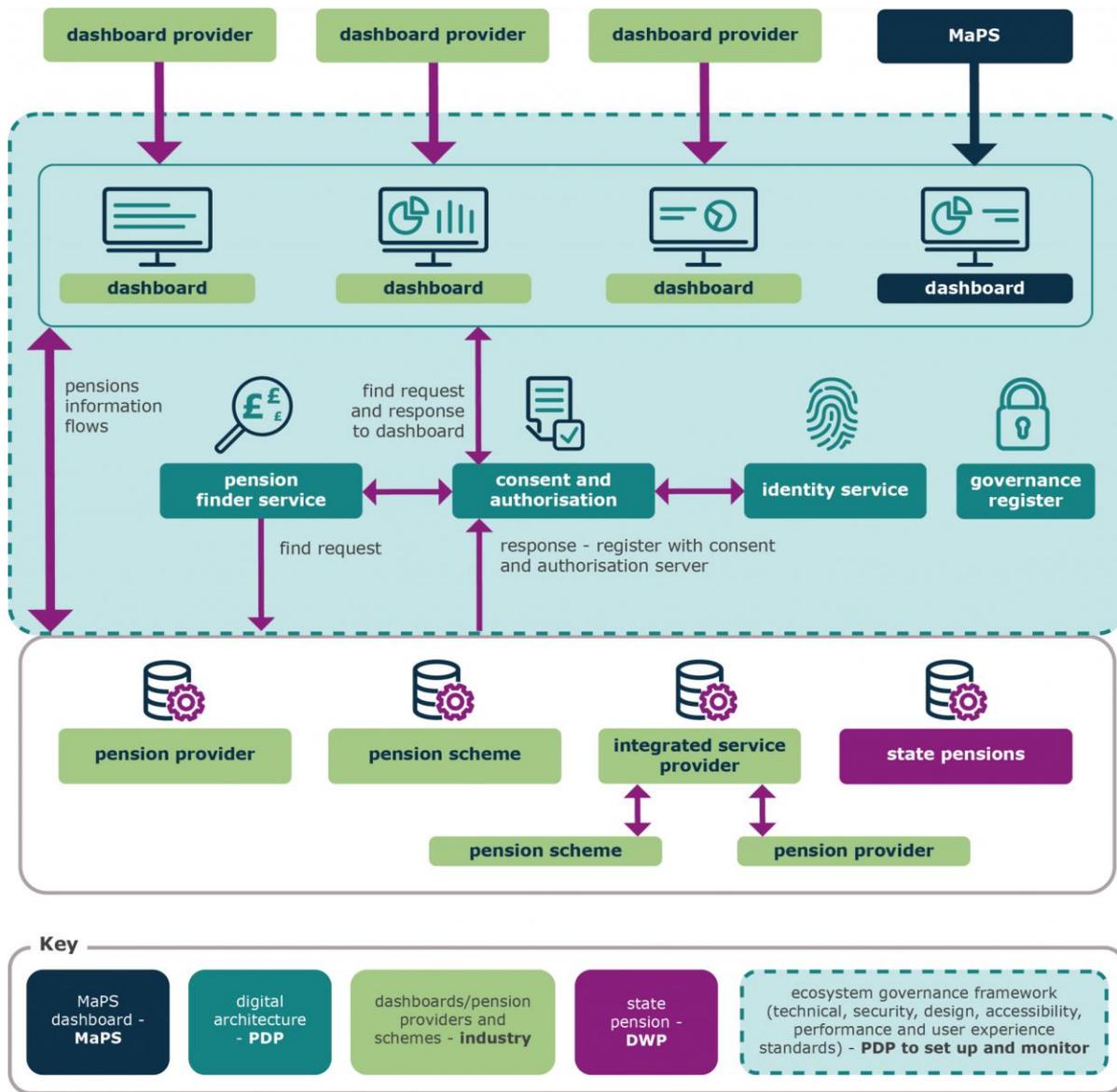
- requirements for pensions dashboards service providers;
- requirements for trustees or managers of occupational pension schemes with at least 100 relevant members;
- relevant members include active and deferred members of occupational pension schemes, not pensioner members; and
- provisions for the Pensions Regulator to take enforcement action

## **Expected timeline:**

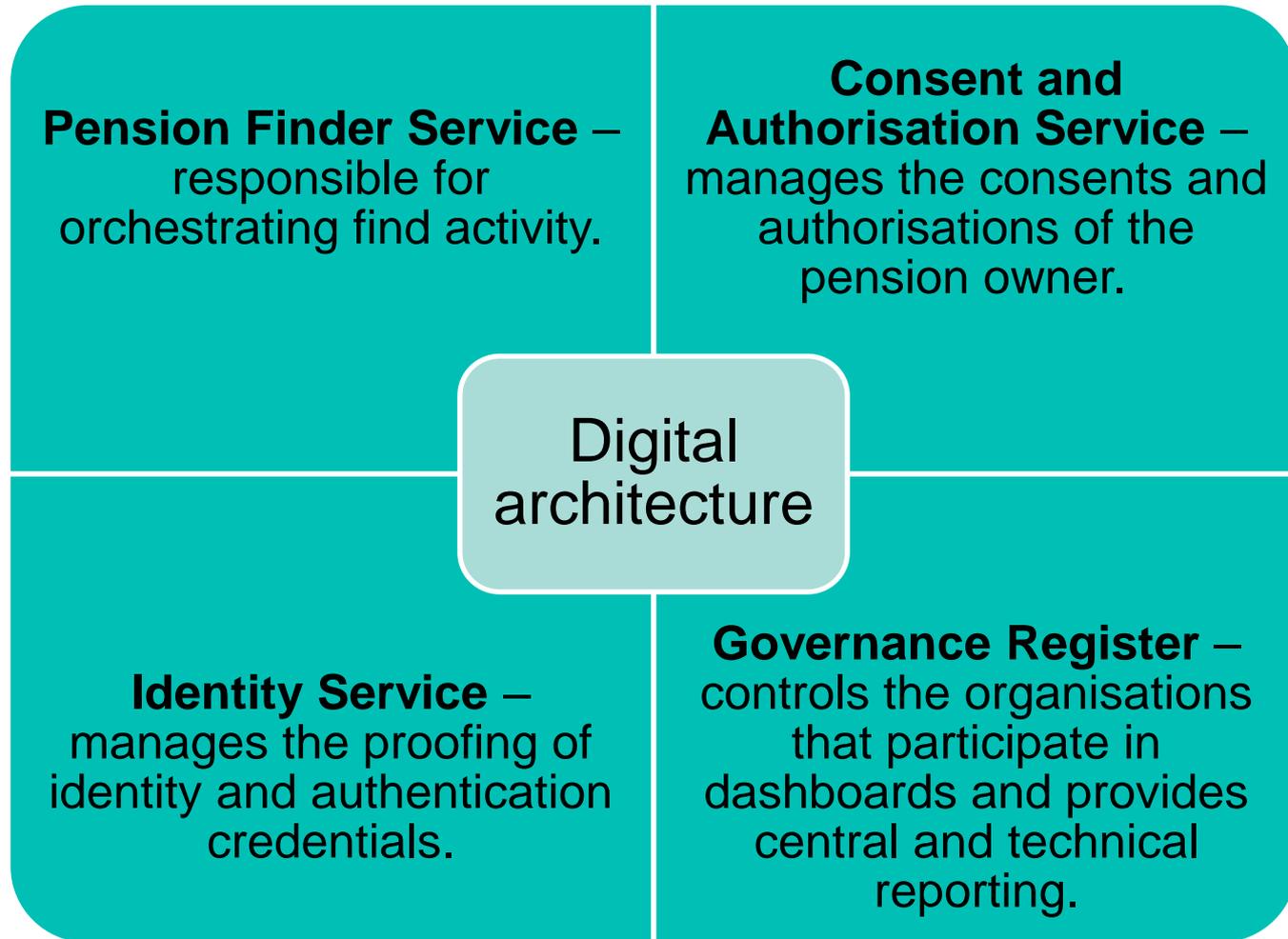
- Consultation closes 13 March 2022
- Consultation response expected to be published Summer 2022

# How dashboards will work

- The dashboard digital architecture will verify the individual's identity and obtain their consent to complete a search.
- Individuals will make a request to find their pensions, then once they've received a confirmed match, they can request to view more detailed data about their pension.
- All pensions information for the individual can be seen side by side on the dashboard, including information about expected income in retirement.



# The digital architecture



# User Research – building on evidence and understanding user need

## Rapid Evidence Assessment of the existing evidence

- This found the most important piece of information is projected retirement income

## Qualitative research

- This found individuals expect as a minimum to see personal and workplace pensions, with retirement income projections
- A 'find-only' dashboard concept had limited appeal – and participants still expected to see values; whereas 'find and view' service containing both accrued and projected value information has a wide level of appeal and resonates with the broadest possible range of potential end users.

## User-Centred Design and iterative user testing to inform service design and standards development

- Testing so far has suggested presentation of income-based values is important to support user understanding and engagement, and seeing accrued and projected income values together aids user comprehension

## Usability Working Group

- To ensure the user is fully represented in the development of pensions dashboards and includes representatives from consumer bodies and potential dashboard providers

# Standards: What are they and oversight of standards

## What are standards?

- Standards will provide further detail on how both pension schemes and QPDSs must comply with their legislative duties. They provide a greater level of technical or operational detail that would not be appropriate to outline in Regulations.

## Why are they important?

- Compliance with standards is mandatory because:
- Failure to comply could pose a risk to the security of the dashboard ecosystem, or;
- Compliance is essential to ensure that dashboards are delivered successfully and dashboard users are provided with the right information, presented in the right manner.

## Oversight and approval

- We propose that the DWP Secretary of State will have oversight powers.
- The Regulations would require the Secretary of State to approve the first set of standards and subsequent iterations containing amendments that are more than minor technical changes.

# Consumer protection and pensions dashboards

- Consumer protection is at the heart of the pensions dashboard programme.
- There are three overarching design principles which underpin our approach to pensions dashboards with an aim of maximising consumer protection:

Put the individual at the heart of the process by giving people access to clear information online.

Ensure individuals' data is secure, accurate and simple to understand, minimising the risks to the consumer and the potential for confusion.

Ensure that the individual is always in control over who has access to their data

# What does it mean to be a QPDS?

- In order to become a *qualifying* pensions dashboard service and maintain qualifying status, there are a number of requirements a dashboard provider must meet and continue to meet when operating.

## Connecting to the digital architecture

- A QPDS must connect to the MaPS specified digital architecture.

## Adhere to all MaPS standards

- QPDS are required to adhere and continue to adhere to all of MaPS standards. Failure to meet certain standards can lead to disconnection from the ecosystem removing 'qualifying' status.

## Obtain FCA authorisation and permission

- A QPDS provider must be(come) FCA authorised and obtain permission to undertake the new regulated activity. QPDS must also comply with the FCA's Handbook rules (to be determined).

## Displaying the view data

- QPDS must display the view data and state pension data in accordance with MaPS design standards.

# How the view data and state pension data will be displayed

The individual is always in control of who has access and can view their data.

QPDS will be required to display the view data and state pension data as soon as it is received.

The messaging surrounding the values is critical in ensuring individuals understand what the values mean.

Consent is required by the individual to issue a find request. Consent is then required by the individual to see the view data and state pensions data.

They will also be required to display this information in accordance with design standards which will be set out by MaPS.

# Design standards

- The design standards will ensure that dashboards keep users at their heart.
- PDP will develop the standards by identifying the user needs and the user research will feed into the design. The standards will be the result of comprehensive iterative testing to ensure that the user needs are met.
- The design standards are crucial for various reasons:

Ensure dashboards are simple and easy to use

Make the information easy to understand

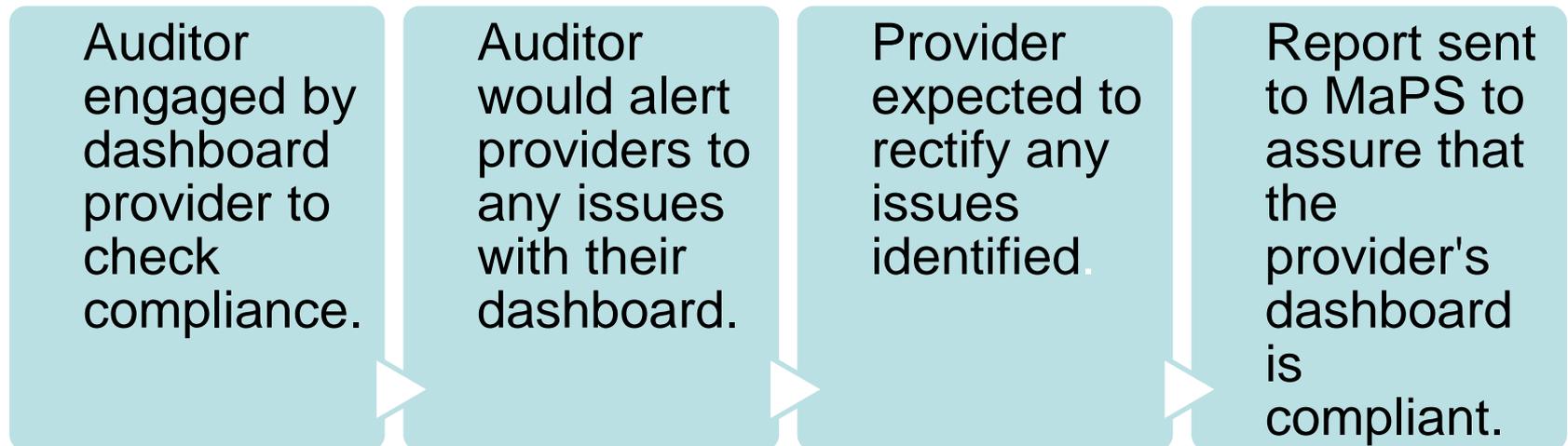
Ensure a consistent level of consumer protection across all dashboards

Provide detail to dashboard providers on how to display the data

Encourage trust in dashboards

# Role of the third-party auditor

- We are proposing to utilise a third-party audit approach whereby a trusted and independent professional is engaged by the dashboard provider to provide assurance to MaPS that the qualifying pensions dashboard service is compliant with certain standards
- This is focused particularly on those standards which are not easily detectable automatically, or which require a degree of judgement.
- We are keen to gather views on this approach from potential dashboard providers and others with an interest.



# Dashboard Functionality

Dashboards will not be able to offer any functionality which enables **transactions**.

## Delegated access

- QPDS may offer delegated access and these delegates will only be to defined groups who are appropriately qualified IFAs and MaPS guiders.

## Manipulation of data

- Ensuring the view data is displayed in accordance with design standards assures that the data is not manipulated.

## Data export

- We intend to use the consultation to obtain stakeholder views on the benefits and risks that could arise from data export.

# Delegated access in depth

- A dashboard may offer delegated access only to defined groups:

MaPS Guiders, who, as part of the government's MaPS, can provide guidance to individuals based on their view data and state pensions data;

A person with permission to advise on investments as referred to in article 53(1) of the FSMA 2000 (regulated activities) Order 2001 (a) - who can provide further pensions advice and guidance to individuals.

A person with permission to advise on the conversion or transfer of pension benefits as referred to in Article 53E of the FSMA 2000 (regulated activities) Order 2001; or

Another person whom MaPS considers appropriate. This will allow further groups to be added, as testing builds an understanding the needs of dashboard users.

- Individuals can revoke the consent for an authorised delegate to access their pensions information at any time.

# Dashboard functionality in depth

- We anticipate that dashboard providers will want to foster innovation and increase their functionality as technology develops.
- However, we want to ensure that individuals can trust dashboards and the data shown on them .
- We are therefore proposing a relatively restrictive approach to the manipulation of data.
- Design standards will set out requirements on how the data must be displayed, and will detail the circumstances where values may be combined, displayed graphically, or displayed in alternatives to annual amounts. The design standards could also cover the contextualisation of pensions information.
- We recognise that the approach we have proposed around manipulation of data means that some functionality and innovation envisaged may not be possible.
- The question of whether and what additional information may be allowed on dashboards is a matter for the FCA to determine and specify in its rules for QPDS providers.

# Exporting data off the dashboard

A data export might be

- a transfer from the dashboard to another area of the dashboard providers' systems;
- to another organisation;
- or to the user themselves.

Any export would be at the request of the user, putting them in control.

- There is a range of potential benefits: enabling innovative use and presentation of the data; using for other purposes, or simply enabling users to keep their own records.
- However, exporting data does bring the potential for an increase in risk – particularly the potential that users may make (or be persuaded to take) irreversible decisions without sufficient information; undertaking activity outside the appropriate regulatory controls; and being more susceptible to scams or other such activity.
- We are keen to use the consultation to find the right balance, and to ensure that we have identified the right risk mitigations.

# Risk Mitigation

- The potential for data export carries an element of risk and it is important that we consider mitigations.
- As set out earlier, the existing regulatory framework provides some mitigation, where, for example, financial advice and certain transactional activity is covered under existing oversight.
- However, any export of data means that data moves beyond the specific dashboard regulation, and we need to ensure that if it does, consumers are fully aware of the risks.



**Warnings**



**Placement of the export function on the dashboard**

**Being clear about when data has moved off dashboards.**



# FCA regulation of QPDS operators

Any entity that wants to operate a QPDS must obtain:

- **FCA authorisation, if not already authorised**
  - FCA authorisation process:  
<https://www.fca.org.uk/firms/authorisation/process>
  - FCA Mission: Approach to Authorisation:  
<https://www.fca.org.uk/publication/corporate/our-approach-authorisation-final-report-feedback-statement.pdf>
- **the permission to operate a QPDS**
  - HMT will amend the Regulated Activities Order (RAO) 2001 to make the provision of dashboards an FCA regulated activity.

The FCA will consult on a regulatory framework for operators of QPDSs later this year.

# Reporting and Monitoring Requirements

QPDSs will be required to provide MaPS and the regulators with information relevant to their functions which will be used for a variety of reasons. The reporting requirements will help to monitor compliance and the success of the overall ecosystem and dashboard programme.

## Collecting research data

- Assist with the evaluation of the dashboards service
- QPDSs would be required to report back to the regulators and DWP to ensure that the dashboard is providing the service it was designed to do.

## Reporting analytical and statistical information

- To help the running of the dashboard and maintain a quality service.
- Allows MaPS to identify any problems with the dashboard which may need to be resolved.

## Monitoring of a QPDS performance

- The exact details of what performance-related activities will be monitored will be set out in the service level standards. This would include monitoring the dashboards for things such as failed requests and downtime.

# Q&A

## **Chair**

Simon Boniwell (Deputy Director, DWP policy)

## **Panellists**

- Chris Curry (Principal and SRO, PDP)
- David Reid (Head of Policy & Engagement, PDP)
- James Holland (Pensions dashboards policy, DWP)
- Joe Stacey (Pensions dashboards policy, DWP)
- Caroline Donellan (Technical Specialist, Supervision, Policy & Competition Markets, FCA)